

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6473

BILL NUMBER: HB 1053

NOTE PREPARED: Dec 13, 2014

BILL AMENDED:

SUBJECT: Drink Sales at Microbrewery and Farm Winery.

FIRST AUTHOR: Rep. Ober

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill allows a microbrewery and a farm winery that occupy the same building to sell by the glass the microbrewery's beer and the farm winery's wine from the same service bar, without a structure separating the service of wine and the service of beer.

Effective Date: July 1, 2015.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary* - Under current law, the Alcohol and Tobacco Commission requires microbreweries and farm wineries that occupy the same building to have a wall that separates the area where beer will be served from the area where wine will be served. The bill would remove this requirement.

The bill is not expected to have a significant impact on revenue. However, to the extent that it allows more beer and wine to be sold than would have been otherwise, it could increase revenue from the Alcoholic Beverage Tax on beer and wine and the Sales Tax. There are a limited number of microbreweries and farm wineries that share a building, so any increase is likely to be small.

Additional Information - Revenue from the Alcoholic Beverage Tax on beer and wine is distributed in varying amounts to the state General Fund, Post War Construction Fund, Enforcement and Administration Fund, Addiction Services Fund, and Wine Grape Market Development Fund. Fifty percent of the General Fund distribution is allocated to cities and towns according to a formula based on population.

Sales Tax revenue is deposited in the General Fund (98.848%), Motor Vehicle Highway Account (1%), Commuter Rail Service Fund (0.123%), and Industrial Rail Service Fund (0.029%).

Explanation of Local Expenditures:

Explanation of Local Revenues: Local revenues could increase to the extent that a local unit receives revenue from the Alcoholic Beverage Tax or the Sales Tax. However, any increase is likely to be small.

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected:

Information Sources: ATC list of active permits, August 2014.

Fiscal Analyst: Lauren Tanselle, 317-232-9586.